DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Assistant Secretary for Community Planning and Development

[Docket No. N-95-3877; FR-3873-N-01]

Notice of Funding Availability for Continuum of Care Homeless Assistance; Supportive Housing Program (SHP); Shelter Plus Care (S+C); Sec. 8 Moderate Rehabilitation Single Room Occupancy Program for Homeless Individuals (SRO)

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice of funding availability (NOFA).

SUMMARY: This Notice announces the availability of approximately \$900 million for applications for assistance designed to help communities develop continuum of care systems to assist homeless persons. These funds are available under three programs to fill gaps within the context of developing coordinated systems for combating homelessness. The three programs are: Supportive Housing; Shelter Plus Care; and Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings for Homeless Individuals. Funds will be awarded competitively. This notice of funding availability (NOFA) contains information concerning the continuum of care approach, eligible applicants, eligible activities, application requirements, and application processing.

DEADLINE DATE: All applications are due in HUD Headquarters on or before close of business on April 7, 1995. HUD will treat as ineligible for consideration applications that are received after that deadline. Applications may not be sent by facsimile (FAX).

ADDRESSES: For a copy of application packages, please contact a HUD Field Office or call the American Communities information center at 1-800-998-9999. Prior to close of business on the deadline date completed applications will be accepted at the following address: Processing and Control Unit, Room 7255, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410, Attention: Continuum of Care Funding. At close of business on the deadline date applications will be received at either room 7255 or the South lobby of the Department of Housing and Urban

Development at the above address. Two copies of the application must also be sent to the HUD Field Office serving the area in which the applicant's project is located. A list of Field Offices appears in the appendix of this NOFA. Field Office copies must be received by the application deadline as well, but a determination that an application was received on time will be made solely on receipt of the application at HUD Headquarters in Washington.

FOR FURTHER INFORMATION: Please contact the HUD Field Office for the area in which the project is located for additional information. Telephone numbers are included in the list of Field Offices set forth in the appendix of this NOFA.

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act Statement

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1980, and assigned OMB approval numbers 2506–0131, 2506–0112, and 2506–0118.

I. Substantive Description

(a) Authority

The Supportive Housing program is authorized by title IV, subtitle C, of the Stewart B. McKinney Homeless
Assistance Act (McKinney Act), as amended, 42 USC 11381. Regulations for this program are contained in 24 CFR part 583, as amended by an interim rule published in the **Federal Register** on May 10, 1994, and a final rule published in the **Federal Register** on July 19, 1994. Funds made available under this NOFA for the Supportive Housing program are subject to the requirements of the amended regulations.

The Shelter Plus Care program is authorized by title IV, subtitle F, of the McKinney Act, as amended, 42 USC 11403. Regulations for this program are contained in 24 CFR part 582, as amended by an interim rule published in the **Federal Register** on May 10, 1994. Funds made available under this NOFA for the Shelter Plus Care program are subject to the requirements of the amended regulations.

The Section 8 Moderate
Rehabilitation Program for Single Room
Occupancy (SRO) Dwellings for
Homeless Individuals is authorized by
section 441 of the McKinney Act, as
amended, 42 USC 11401. Regulations
for this program are contained in 24
CFR part 882, subpart H, as amended by
an interim rule published in the **Federal Register** on May 10, 1994. Funds made

available under this NOFA for the Section 8 Moderate Rehabilitation Program for Single Room Occupancy Dwellings for Homeless Individuals are subject to the requirements of the amended regulations.

(b) Funding Availability

Approximately \$900 million is available under this NOFA. This consists of approximate amounts of \$600 million for Supportive Housing. \$150 million for Shelter Plus Care, and \$150 million for SRO. All of the funds available under this NOFA were appropriated under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1995 (Pub. L. 103-327, approved September 28, 1994). Any unobligated funds from previous competitions or additional funds that may become available as a result of deobligations or recaptures from previous awards may also be used to fund applications for the same program submitted in response to this NOFA. HUD reserves the right to reallocate funds from one program to another if an insufficient number of approvable applications are received for a program. HUD also reserves the right to fund less than the full amount requested in any application.

(c) Purpose

The purpose of this NOFA is to fund projects and activities which will fill gaps within the context of developing continuum of care systems to assist homeless persons. A continuum of care system consists of four basic components:

(1) A system of outreach and assessment for determining the needs and conditions of an individual or family who is homeless, or whether assistance is necessary to prevent an individual from becoming homeless;

(2) Emergency shelters with appropriate supportive services to help ensure that homeless individuals and families receive adequate emergency shelter and referral to necessary service providers or housing finders;

(3) Transitional housing with appropriate supportive services to help those homeless individuals and families who are not prepared to make the transition to permanent housing and independent living; and

(4) Permanent housing, or permanent supportive housing, to help meet the long-term needs of homeless individuals and families.

While not all homeless individuals and families in a community will need to access all four, unless all four components are coordinated within a community, none will be successful. A strong homeless prevention strategy is also key to the success of the continuum of care.

Developing a continuum of care system involves a community process for coordinating resources. The community process should include nonprofit organizations, State and local government agencies, other homeless providers, housing developers and service providers, private foundations, neighborhood groups, and homeless or formerly homeless persons.

(d) Coordinating Resources

The Department recognizes that differing statutory requirements of the three programs covered by this NOFA are barriers to creating continuum of care systems that are truly responsive to community needs. The Department is continuing to pursue legislative changes necessary to provide localities and providers with the flexibility they need to create comprehensive systems that completely address the many dimensions of the problem in a coordinated fashion. Meanwhile, under this NOFA, the Department will continue to move in that direction by using its funding resources to help increase the level of coordination among nonprofit organizations, government agencies and other entities that is necessary to develop systematic approaches for successfully addressing homelessness.

To further the purpose of this NOFA, heavy emphasis is placed upon coordination in the application selection criteria. In preparing its application, the applicant should, to the maximum extent possible, coordinate its efforts with other providers of services and housing to homeless persons, such as nonprofit organizations, government agencies, and housing developers, and consult with homeless or formerly homeless persons.

Scoring high on the "Coordination" selection criteria will be important to the success of an application in this competition. High scores will depend

on organizations working together to: create, maintain and build upon a community-wide inventory of current services and housing for homeless families and individuals; identify the full spectrum of needs of homeless families and individuals; and coordinate efforts to obtain resources to fill gaps between the current inventory and needs. Applicants are advised to pay special attention to the "Coordination" selection criteria before beginning the process of developing an application.

(e) Use of NOFA Funds and Matching Funds to Fill Gaps

Funds available under this NOFA and matching funds may be used in the following ways to fill gaps within the context of developing a continuum of care system:

(1) Outreach/Assessment. The Supportive Housing program may provide funding for outreach to homeless persons and assessment of their needs. The Shelter Plus Care program requires a supportive services match; outreach and assessment activities count toward that match. The SRO program applicants receive rating points for the extent to which supportive services, including outreach and assessment, are provided.

(2) Transitional housing and necessary social services. The Supportive Housing program may be used to provide transitional housing with services, including both facility-based transitional housing and scattered-site transitional services. The Supportive Housing program may also be used to provide a safe haven, as described in section I.(g)(1) of this NOFA.

(3) Permanent housing or permanent supportive housing. The Supportive Housing program may be used to provide permanent supportive housing for persons with disabilities, including both facility-based and scattered-site permanent supportive housing. The Shelter Plus Care program may be used to provide permanent supportive housing for persons with disabilities in

a variety of housing rental situations. This program requires a supportive services match; all supportive service activities count toward that match. The SRO program provides permanent housing for homeless individuals with incomes that do not exceed the lowincome standard of the Section 8 housing program. The SRO program applicants receive rating points for the extent to which supportive services are provided. Providing permanent housing for homeless families is not available under the SRO program or the SRO component of the Shelter Plus Care (S+C) program because an SRO unit is designed for a single individual. Permanent housing for homeless families is only eligible under the other components of the S+C program and under the Supportive Housing program if an adult member has a disability.

(f) Targeting

This NOFA is targeted to serving persons who are sleeping in emergency shelters (including hotels or motels used as shelter for homeless families), other facilities for homeless persons, or places not meant for human habitation, such as cars, parks, sidewalks, or abandoned buildings. This includes persons who ordinarily live in such places but are in a hospital or other institution on a shortterm basis (short-term is considered to be 30 consecutive days or less.) For the Section 8 SRO program, individuals currently residing in units to be assisted and who are eligible for assistance under Section 8 of the United States Housing Act of 1937 may also be served under this NOFA.

(g) Program Summaries

The chart below summarizes key aspects of the Supportive Housing Program, the Shelter Plus Care Program, and the Section 8 Moderate Rehabilitation Program for Single Room Occupancy Dwellings for Homeless Individuals. Descriptions are contained in the applicable program regulations.

Element	Supportive housing	Shelter plus care	Section 8 SRO
Authorizing Legislation	Subtitle C of Title IV of the Stew- art B. McKinney Homeless As- sistance Act, as amended.	Subtitle F of Title IV of the Stew- art B. McKinney Homeless As- sistance Act, as amended.	Section 441 of the Stewart B. McKinney Homeless Assistance Act, as amended.
Implementing Regulations	24 CFR part 583, as amended May 10 and July 19, 1994.	24 CFR part 582, as amended May 10, 1994.	24 CFR part 882, subpart H, as amended May 10, 1994.
Eligible Applicant(s)	States Units of general local government. Public housing agencies (PHAs) Tribes Private nonprofit organizations . CMHCs that are public nonprofit	States Units of general local government. Tribes PHAs	PHAs Private nonprofit organizations.
	organizations		
Components	Transitional housing Permanent housing for disabled persons. Innovative supportive housing Supportive services not in conjunction with supportive housing. Safe Havens	Tenant-based Sponsor-based Project-based SRO-based	SRO housing.
Eligible Activities	Acquisition Rehabilitation New construction Leasing Operating costs Supportive services	Rental assistance	Rental Assistance.
Eligible Populations	Homeless persons	Homeless disabled individuals Homeless disabled individuals and their families	Homeless individuals Section 8 eligible current occupants.
Populations Given Special Consideration.	Homeless persons with disabilities. Homeless families with children.	Homeless persons who: are seriously mentally ill have chronic problems with alcohol and/or drugs. have AIDS and related dis-	• N/A
Initial Term of Assistance	3 years	eases. 5 years: TRA, SRA, and PRA if no rehab 10 years: SRO and PRA if rehab.	10 years.

(h) Special Program Provisions

(1) Supportive Housing Program

Minimum percentages. Approximately \$600 million is available for assistance under the Supportive Housing Program. In accordance with section 429 of the McKinney Act, as amended, HUD will allocate Supportive Housing funds as follows: not less than 25 percent for projects that primarily serve homeless families with children; not less than 25 percent for projects that primarily serve homeless persons with disabilities; and not less than 10 percent for supportive services not provided in conjunction with supportive housing. After applications are rated and ranked, based on the criteria described below. HUD will determine if the conditionally selected projects achieve these minimum percentages. If not, HUD will skip higher-ranked applications in a category for which the minimum percent has been achieved in order to achieve the minimum percent for another category. If there are an insufficient number of conditionally

selected applications in a category to achieve its minimum percent, the unused balance will be used for the next highest-ranked approvable Supportive Housing application.

Safe havens. As described in the program summaries chart above, the Supportive Housing program includes five different types of projects. Safe haven projects are one type. As used in this NOFA, a safe haven is a form of supportive housing designed specifically to provide a safe residence for homeless persons with serious mental illness who are currently residing primarily in public or private places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, and who have been unwilling or unable to participate in mental health or substance abuse treatment programs or to receive other supportive services.

For many persons with mental illness who have been living on the street, the transition to permanent housing is best made in stages, starting with a small, highly supportive environment where an individual can feel at ease, out of danger, and subject to relatively few immediate service demands. Traditional supportive housing settings often assume a readiness by the clientele to accept a degree of structure and service participation that could overwhelm and defeat a person with mental illness who has come fresh from the street.

Safe havens are designed to provide persons with serious mental illness who have been living on the streets with a secure, non-threatening, non-institutional, supportive environment. These facilities can serve as a "portal of entry" to the service system and provide access to basic services such as food, clothing, bathing facilities, telephones, storage space, and a mailing address.

Safe havens do not require participation in services and referrals as a condition of occupancy. Rather, it is hoped that after a period of stabilization in a safe haven, residents will be more willing to participate in services and referrals, and will eventually be ready to move to a more traditional form of housing. While all rules applicable to

the Supportive Housing Program apply to safe havens, to ensure that safe havens projects are competitive with other Supportive Housing projects, the "Quality of Project Plan" rating criteria in this NOFA have been modified to reflect the special characteristics of safe havens.

Specifically, the term "safe haven" means a structure or a clearly identifiable portion of a structure: (1) that proposes to serve hard-to-reach homeless persons with severe mental illness; (2) that provides 24-hour residence for eligible persons who may reside for an unspecified duration; (3) that provides private or semi-private accommodations; (4) that may provide for the common use of kitchen facilities, dining rooms, and bathrooms; and, (5) in which overnight occupancy is limited to no more than 25 persons. A "safe haven" may also provide supportive services to eligible persons who are not residents on a drop-in basis. To be considered for funding under the Safe Havens component of the Supportive Housing Program, a proposed project must be consistent with the five features listed above.

(2) Shelter Plus Care Program

Approximately \$150 million is available for assistance under the Shelter Plus Care program. In accordance with section 463(a) of the McKinney Act, as amended by the 1992 Act, at least 10 percent of Shelter Plus Care funds will be allocated for each of the four components of the program: Tenant-based Rental Assistance; Sponsor-based Rental Assistance; Project-based Rental Assistance; and Section 8 Moderate Rehabilitation of Single Room Occupancy Dwellings for Homeless Individuals (provided there are sufficient numbers of approvable applications to achieve these percentages). After applications are rated and ranked, based on the criteria described below, HUD will determine if the conditionally selected projects achieve these minimum percentages. If necessary, HUD will skip higher-ranked applications for a component for which the minimum percent has been achieved in order to achieve the minimum percent for another component. If there are an insufficient number of approvable applications in a component to achieve its minimum percent, the unused balance will be used for the next highest-ranked approvable Shelter Plus Care application.

Any applicant that is a unit of general local government, a local public housing authority, or an Indian tribe may submit only one Shelter Plus Care application. Any applicant that is a State or a State

public housing authority may submit applications for more than one jurisdiction but must submit a separate application for each and may only submit one application for each jurisdiction. In accordance with section 455(b) of the McKinney Act, no more than 10 percent of the assistance made available for Shelter Plus Care in any fiscal year may be used for programs located within any one unit of general local government. Ten percent for this fiscal year equals \$15 million.

With regard to the Shelter Plus Care/ Section 8 SRO component, applicant States, units of general local government and Indian tribes must subcontract with a Public Housing Authority to administer the Shelter Plus Care assistance. Also with regard to this component, no single project may contain more than 100 units.

(3) Section 8 Moderate Rehabilitation Program for Single Room Occupancy Dwellings for Homeless Individuals

Approximately \$150 million is available for assistance under the SRO program. Applicants need to be aware of the following limitations on the allocation of Section 8 SRO funds:

- A separate application must be submitted for each site for which assistance is requested and, under section 8(e)(2) of the United States Housing Act of 1937, no single project may contain more than 100 units;
- Under section 441(c) of the McKinney Act, no city or urban county may have projects receiving a total of more than 10 percent of the assistance made available under this program;
- Applicants that are private nonprofit organizations must subcontract with a Public Housing Authority to administer the SRO assistance; and
- Under section 441(e) of the McKinney Act and 24 CFR 882.805(g)(1), HUD publishes the SRO per unit rehabilitation cost limit each year to take into account changes in construction costs. For purposes of Fiscal Year 1995 funding, the cost limitation is raised from \$15,900 to \$16,100 per unit to take into account increases in construction costs during the past 12-month period.

II. Application Requirements

An application for Supportive Housing, Shelter Plus Care, or Section 8 SRO assistance consists of narrative, numerical, and financial information. The application requires a description of: gaps that need to be filled in the community's response to homelessness; how the proposed project will help the community develop a continuum of care

system by filling one of these gaps; the proposed project, including the plan for housing and/or services to be provided to participants; resources expected for the project and the amount of assistance requested; the experience of all organizations who will be involved in the project; and the sources and number of proposed participants. An application also contains certifications that the applicant will comply with fair housing and civil rights requirements, program regulations, and other Federal requirements, and (in most cases) that the proposed activities are consistent with the HUD-approved Consolidated Plan (or Comprehensive Housing Affordability Strategy if still in effect) of the applicable State or unit of general local government.

The specific application requirements will be specified in the application package for each program. This package includes all required forms and certifications, and may be obtained from a HUD Field Office listed in the appendix of this NOFA or by calling the American Communities information center on 1–800–998–9999.

Care should be taken in the selection of projects and in the preparation of applications to ensure that environmental and historic preservation impediments do not cause an application to be denied or approval severely delayed. In general, any application HUD receives from a state or local government will require that the environmental assessment be prepared by the local or state government before the grant application can be approved. The environmental assessments for nongovernmental applicants will be conducted by HUD. Questions about which environmental and historic preservation laws may apply should be addressed to the HUD Field Office.

III. Application Selection Process

The Department will use the same review, rating, and conditional selection process for all three programs (S+C, SRO, and SHP):

(a) Review

Applications will be reviewed to ensure that they meet the following requirements:

(1) Applicant eligibility. The applicant and project sponsor, if relevant, must be eligible to apply for the specific

(2) Eligible population to be served. The population to be served must meet the eligibility requirements of the specific program.

(3) Eligible activities. The activities for which assistance is requested must be eligible under the specific program.

- (4) Fair housing and equal opportunity. Organizations that receive assistance through the application must be in compliance with applicable civil rights laws and Executive Orders.
- (5) Vacancy rate. For the Section 8 SRO program, at least 25 percent of the units to be assisted at any one site must be vacant at the time of application.

(b) Rating and Conditional Selection

Applications for S+C, SRO, and SHP grants will be conditionally selected in three separate categories, one for each program. To rate applications, the Department may establish panels including persons not currently employed by HUD to obtain outside points of view, including views from other Federal agencies.

After all points have been awarded, applications will be ranked from highest point score to lowest for each program. A bonus of 2 points will be added in determining the final score of any project that will serve homeless persons living within the boundaries of a federal **Empowerment Zone or Enterprise** Community. Whether an application is conditionally selected will depend on its overall ranking compared to other applications submitted for the same program, except that HUD reserves the right to select lower rated applications if necessary to achieve geographic diversity; ensure that the overall amount of assistance received by a jurisdiction is not disproportionate to the jurisdiction's overall need for homeless assistance, as calculated from generally available data; or achieve diversity of assistance provided in a community as determined through a comparison of applications from a given jurisdiction.

For all programs, in the event of a tie between applicants, the applicant with the highest score for the coordination criterion will be selected. If a tie remains, the applicant with the highest score for the quality of project criterion will be selected. In the event of a procedural error that, when corrected, would result in selection of an otherwise eligible applicant during the funding round under this NOFA, HUD may select that applicant when sufficient funds become available.

For Shelter Plus Care and Supportive Housing, in cases where the applicant requests assistance for more than one of the components of the program within one application, the components will not be rated separately. Rather, the application will be rated as a whole. (For Section 8 SRO, only one project is allowed per application.)

(c) Core Selection Criteria

The following five core selection criteria apply to each of the programs covered by this NOFA and account for 105 of the 110 points available for award.

- (1) *Coordination*. HUD will award up to 40 points based on the extent to which the application demonstrates:
- Participation in a community process for developing a continuum of care strategy, which could include nonprofit organizations, State and local governmental agencies, other homeless providers, housing developers and service providers, private foundations, local businesses and the investment banking community, neighborhood groups, and homeless or formerly homeless persons.
- Need for the type of project proposed in the area to be served, and that the proposed project will effectively and appropriately fill a gap in the community's response to homelessness.
- Coordination with other applicants, if any, applying for assistance under this NOFA for projects in the same local jurisdiction. (If more than one organization within a local jurisdiction is submitting an application under this NOFA, higher scores will be assigned where it is clear that the proposed projects have been coordinated within a single, appropriate continuum of care strategy and that each project effectively and appropriately fills a gap in the community's response to homelessness.)
- Use by the project of mainstream services, such as income supports, mental health services, and substance abuse treatment, and how the project uses or will use mainstream housing programs, such as Section 8 rental assistance, HOME, and State programs, and other permanent housing resources to complete the continuum of care.
- (2) *Need*. HUD will award up to 20 points based on:
- the jurisdiction's need for homeless assistance, as calculated from generally available data including data on poverty, housing overcrowding, population, age of housing and growth lag; and
- the extent of need in that jurisdiction taking into account the higher rated applications and the extent of need nationwide.
- (3) *Quality of project*. HUD will award up to 25 points based on the extent to which the applicant demonstrates that the proposed project will:
- Reach out and engage potential eligible participants. The most needy are homeless persons who are sleeping in places not meant for human habitation, such as cars, tunnels and

- parks, and persons who are staying at shelters, transitional housing or other facilities for homeless persons who originally came from the streets or emergency shelter.
- Provide appropriate housing. HUD will consider how the housing fits the needs of participants and ensures their safety; empowers participants through involvement in decision-making and project operations; employs participants in the project or otherwise helps increase their incomes; and ensures that transportation is available and accessible. HUD will also consider project staffing and the scale of the project, viewing the concentration of very large numbers of homeless persons at one location unfavorably.

For transitional housing projects, appropriateness of housing also includes how the project assists participants in locating and succeeding in permanent housing, and provides necessary follow-up services upon the completion of transitional housing. For permanent housing projects, appropriateness of housing also includes how the project assists integration of participants into the surrounding community.

- Provide appropriate services. HUD will consider whether the project provides up-front, individualized, needs assessments and ongoing case management, how services fit the needs of participants, and the availability of needed services.
- For projects serving families, the project serves the family together, and works to strengthen the family structure. Projects that mix families with singles populations in the same structure will be viewed unfavorably.
- For safe haven projects, the above factors are modified to award up to 25 points on the extent to which the applicant demonstrates how the project will link persons to other housing and supportive services after stabilization in a safe haven, the availability of basic services in the safe haven, and how the security of participants will be assured by the applicant.

The rating under this criterion will also consider the extent to which the project represents an innovative approach when viewed nationally that promises to be successful and replicable. Applications submitted under the "innovative supportive housing" component of the Supportive Housing Program must achieve points for innovation.

Applications receiving less than 8 points under the quality of project criterion will not be selected for a grant award.

- (4) Capacity. HUD will award up to 15 points based on extent to which all the organizations involved in the project demonstrate:
- Experience in carrying out similar activities to those proposed either as an ongoing provider of housing and/or services to homeless people, or as an ongoing provider of housing and/or services who is in some way tangibly connected to an ongoing homeless delivery system.

• Timeliness in the speed with which the project will become operational, taking into account differences in the types of projects proposed for funding.

The rating under this criterion will also consider the Department's knowledge of the prior experience of the applicant (and any organizations that will participate in carrying out the program) in serving homeless persons and in carrying out programs similar to those proposed in the application, and the prior performance of the applicant (and any organizations that will participate in carrying out the program) with any-HUD administered programs.

An applicant receiving less than 7 points under the capacity criterion will not be selected for a grant award.

(5) Leveraging. HUD will award up to 5 points based on the extent to which the amount of assistance to be provided under this grant is supplemented with documented cash or in-kind resources from public and private sources that will be used for the project. For S+C and SRO applications, leveraging will be based on documented resources for supportive services. For SHP applications, leveraging will be based on documented resources for any project activity.

(d) Supportive Housing Additional Selection Criterion

The following selection criterion accounts for the remaining 5 points available for award for SHP applications.

(1) Cost effectiveness. HUD will award up to 5 points based on the extent to which supportive services are provided from resources other than the Supportive Housing Program grant.

(e) Shelter Plus Care Additional Selection Criterion

The following selection criterion accounts for the remaining 5 points available for award for S+C applications.

(1) Serving targeted disabilities. Within the eligible population to be served, HUD will award up to 5 points based on the percentage of individuals to be served (beyond 50 percent) who experience serious mental illness, have

chronic alcohol and/or drug abuse problems, or have AIDS and related diseases in relation to the total number of people proposed to be served.

(f) Section 8 SRO Additional Selection Criterion

The following selection criterion accounts for the remaining 5 points available for award for Section 8 SRO applications.

(1) Availability of vacant units. HUD will award up to 5 points based on the percentage of units (beyond the required 25 percent) proposed for assistance which are vacant at the time of application.

(g) Clarification of Application Information

In accordance with the provisions of 24 CFR part 4, subpart B, HUD may contact an applicant to seek clarification of an item in the application, or to request additional or missing information, but the clarification or the request for additional or missing information shall not relate to items that would improve the substantive quality of the application pertinent to the funding decision.

(h) Technical Assistance

Prior to the application deadline, HUD staff will be available to provide advice, guidance and general technical assistance to potential applicants on application requirements and program policies. Following conditional selection, HUD staff will be available to assist in clarifying or confirming information that is a prerequisite to the offer of a grant agreement by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of the application pertinent to the funding decision.

IV. Grant Award Process

HUD will notify conditionally selected applicants in writing. As necessary, HUD will subsequently request them to submit additional project information, which may include documentation to show the project is feasible; documentation of firm commitments for cash match; documentation showing site control; information necessary for HUD to perform an environmental review, where applicable; and such other documentation as specified by HUD in writing to the applicant, that confirms or clarifies information provided in the application. SRO and S+C/SRO applicants will be notified of the date of the two month deadline for submission

of such information; other S+C applicants and all SHP applicants will be notified of the date of the one month deadline for submission of such information. If an applicant is unable to meet any conditions for grant award within the specified timeframe, HUD reserves the right not to award funds to the applicant, but instead to either: use them to select the next highest ranked application(s) from the original competition for which there are sufficient funds available; or add them to funds available for the next competition for the applicable program.

V. Special Incentive for Purchase of HUD-Owned Single Family Properties Under the Single Family Property Disposition Homeless Program

Supportive Housing funds may be used to purchase HUD-owned single family (one- to four unit) properties under the Single Family Property Disposition Homeless Program, provided the properties are used to house homeless persons. This includes both eligible homes owned by HUD and those presently under lease.

The Department is offering a special incentive for the purchase of HUD-owned single family properties located in zip code areas designated by HUD as "revitalization" areas. Lessees and other qualifying nonprofit organizations and governmental entities may purchase uninsurable properties in revitalization areas at a 30 percent discount; FHA insurable properties in revitalization areas are offered at a discount of 10 percent. There are 230 revitalization areas nationwide. Contact your local HUD Office for assistance in identifying revitalization areas.

Qualifying nonprofit organizations and governmental entities may purchase **HUD-owned homes outside** revitalization areas at a discount approved by the Secretary, usually 10 percent. However, if five or more homes are purchased and closed simultaneously, a 15 percent discount will be applied in all areas. The sales price, to which any discount will be applied, is the current fair market value, or the value established at the time of the lease, whichever is less, provided that the lessee agrees to use the property either to house homeless persons for 10 years or to resell only to a lower-income buyer.

The incentives described above should be especially attractive to organizations currently operating transitional housing for the homeless in homes leased from HUD. Providers with a maximum five-year lease term may purchase uninsurable properties at the 30 percent discount in revitalization

areas, thus making the purchase of their leased property far more affordable. Lessees operating satisfactory homeless programs, and who purchase, will also have a competitive advantage under the rating criterion, "Capacity", since they may demonstrate experience with HUD homeless programs.

VI. Employment Opportunities for Homeless Persons

A key goal of the continuum of care approach is to assist homeless persons achieve independent living whenever possible. Each of the three programs under this NOFA has as a goal increasing the skill level and/or income of program participants. Employment opportunities not only help achieve these goals but are also important in rebuilding self-esteem.

The McKinney Act recognizes the importance of employment opportunities in requiring that, to the maximum extent practicable, recipients involve homeless persons through employment, volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating the project and in providing supportive services. Under the Supportive Housing Program, employment assistance activities are eligible, and grant recipients can use these funds for such activities as job training, wages, and educational awards for homeless persons. While Shelter Plus Care Program and SRO Program funds may only be used for rental assistance, employment assistance activities paid from other sources count towards the match requirement of the Shelter Plus Care Program and can also count for purposes of the "leveraging" rating criterion.

Inclusion in the application of employment assistance activities for homeless persons may improve the rating score under the "Quality of Project" criterion, making the application more competitive.

VII. Linking Homeless Assistance Programs and AmeriCorps

The Corporation for National Service, established in 1993 to engage Americans of all ages and backgrounds in community-based service, supports a range of national and community service programs. AmeriCorps, one of the national service programs supported by the Corporation, engages thousands of young Americans on a full or parttime basis to help communities address their toughest challenges, while earning support for college, graduate school, or job training.

Applicants for the Supportive Housing Program are encouraged to link their proposed projects with AmeriCorps. AmeriCorps Members can be an excellent source of committed, caring staff. An applicant may call The Corporation for National Service in Washington, DC, on (202) 606–5000 to ask for the State Commission contact name and phone number. Through the information received from the State Commission, the applicant may contact an AmeriCorps Program Sponsor in the local area. The Sponsor recruits, selects, trains, and places individuals who become AmeriCorps Members.

Full-time AmeriCorps members (those working 1,700 hours over a 9 to 12 month period) are eligible to receive approximately \$7,600 as a living allowance, health care and child care if necessary, and a post-service award of \$4,725 to be used for current or future college, graduate school, or job training, or to repay existing qualified loans. AmeriCorps is able to support a greater number of Members if other organizations or programs, such as the Supportive Housing Program, can pay the program and Member-related expenses, with AmeriCorps providing the post-service educational awards.

For Supportive Housing, applicants may request funds for paying operating and supportive services costs. These costs may include payment for AmeriCorps Members, such as living allowances, health care costs, and reasonable overhead costs of the AmeriCorps program sponsor, but may not exceed the cost which would be paid by the applicant for the same services when procured from a contractor. An applicant does not fill out a special exhibit for AmeriCorps Members. Instead, the costs for the AmeriCorps Members are included in the operating and supportive services budgets, as appropriate, just as other staff costs are.

If Members are used in operating the Supportive Housing project, the costs are subject to the requirement that operating costs be shared. Examples of how Members may be used in operating a project include maintenance, security, and facility management. Supportive services are not subject to cost-sharing, so if Members are engaged in delivering supportive services, such as substance abuse counseling, case management, or recreational programs, no local share is required.

VIII. Other Matters

Prohibition Against Lobbying Activities

The use of funds awarded under this NOFA is subject to the disclosure requirements and prohibitions of Section 319 of the Department of

Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (the "Byrd Amendment") and the implementing regulations at 24 CFR part 87. These authorities prohibit recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the Executive or Legislative branches of the Federal government in connection with a specific contract, grant, or loan. The prohibition also covers the awarding of contracts, grants, cooperative agreements, or loans unless the recipient has made an acceptable certification regarding lobbying. Under 24 CFR part 87, applicants, recipients and sub-recipients of assistance exceeding \$100,000 must certify that no Federal funds have been or will be spent on lobbying activities in connection with the assistance.

Environmental Impact

In accordance with 40 CFR 1508.4 of the regulations of the Council on **Environmental Quality and 24 CFR** 50.20(k) and (l) of the HUD regulations, the policies and procedures set forth in this document are determined not to have the potential for having a significant impact on the quality of the human environment, and therefore are exempt from further environmental reviews under the National Environmental Policy Act of 1969. (This same determination was made at the time of development of the interim rule on the Supportive Housing Program, Shelter Plus Care, and Section 8 Moderate Rehabilitation Single Room Occupany Program for Homeless Individuals, that was published in the Federal Register on May 10, 1994 (59 FR 24252).

Executive Order 12606, The Family

The General Counsel, as the Designated Official under Executive Order 12606, *The Family,* has determined that the policies announced in this Notice would have a significant impact on the formation, maintenance, and general well-being of families, but since this impact would be beneficial, no further analysis under the Order is necessary.

Executive Order 12612, Federalism

The General Counsel has determined, as the Designated Official for HUD under section 6(a) of Executive Order 12612, *Federalism*, that the policies contained in this Notice will not have federalism implications and, thus, are not subject to review under the Order. The promotion of activities and policies to end homelessness is a recognized goal of general benefit without direct

implications on the relationship between the national government and the states or on the distribution of power and responsibilities among various levels of government.

Drug-Free Workplace Certification

The Drug-Free Workplace Act of 1988 requires grantees of Federal agencies to certify that they will provide drug-free workplaces. Thus, each applicant must certify that it will comply with drug-free workplace requirements in accordance with 24 CFR part 24, subpart F.

Accountability in the Provision of HUD Assistance

HUD has promulgated a final rule to implement section 102 of the Department of Housing and Urban Development Reform Act of 1989 (HUD Reform Act). The final rule is codified at 24 CFR part 12. Section 102 contains a number of provisions that are designed to ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. On January 14, 1992, HUD published at 57 FR 1942 additional information that gave the public (including applicants for, and recipients of, HUD assistance) further information on the implementation of section 102. The documentation, public access, and disclosure requirements of section 102 are applicable to assistance awarded under this NOFA as follows:

Documentation and Public Access Requirements

HUD will ensure that documentation and other information regarding each application submitted pursuant to this NOFA are sufficient to indicate the basis upon which assistance was provided or denied. This material, including any letters of support, will be made available for public inspection for a fiveyear period beginning not less than 30 days after the award of the assistance. Material will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 15. In addition, HUD will include the recipients of assistance pursuant to this NOFA in its quarterly Federal Register notice of all recipients of HUD assistance awarded on a competitive basis. (See 24 CFR 12.14(a) and 12.16(b), and the notice published in the **Federal Register** on January 16, 1992 (57 FR 1942), for further information on these documentation and public access requirements.)

Disclosures

HUD will make available to the public for five years all applicant disclosure

reports (HUD Form 2880) submitted in connection with this NOFA. Update reports (also Form 2880) will be made available along with the applicant disclosure reports, but in no case for a period less than three years. All reports—both applicant disclosures and updates—will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 15. (See 24 CFR subpart C, and the notice published in the Federal Register on January 16, 1992 (57 FR 1942), for further information on these disclosure requirements.)

Section 103 HUD Reform Act

HUD's regulation implementing section 103 of the Department of Housing and Urban Development Reform Act of 1989 was published May 13, 1991 (56 FR 22088) and became effective on June 12, 1991. That regulation, codified as 24 CFR part 4, applies to the funding competition announced today. The requirements of the rule continue to apply until the announcement of the selection of successful applicants. HUD employees involved in the review of applications and in the making of funding decisions are limited by part 4 from providing advance information to any person (other than an authorized employee of HUD) concerning funding decisions, or from otherwise giving any applicant an unfair competitive advantage. Persons who apply for assistance in this competition should confine their inquiries to the subject areas permitted under 24 CFR part 4.

Applicants who have questions should contact the HUD Office of Ethics (202) 708–3815 (TDD/Voice). (This is not a toll-free number.) The Office of Ethics can provide information of a general nature to HUD employees, as well. However, a HUD employee who has specific program questions, such as whether particular subject matter can be discussed with persons outside the Department, should contact his or her Regional or Field Office Counsel, or Headquarters counsel for the program to which the question pertains.

Section 112 HUD Reform Act

Section 13 of the Department of Housing and Urban Development Act contains two provisions dealing with efforts to influence HUD's decisions with respect to financial assistance. The first imposes disclosure requirements on those who are typically involved in these efforts—those who pay others to influence the award of assistance or the taking of a management action by the Department and those who are paid to

provide the influence. The second restricts the payment of fees to those who are paid to influence the award of HUD assistance, if the fees are tied to the number of housing units received or are based on the amount of assistance received, or if they are contingent upon the receipt of assistance.

Section 13 was implemented by final rule published in the **Federal Register** on May 17, 1991 (56 FR 22912) as 24 CFR part 86. If readers are involved in any efforts to influence the Department in these ways, they are urged to read the final rule, particularly the examples contained in Appendix A of the rule.

Submissions

Applications which are mailed prior to April 7, 1995 but received within ten (10) days after that date will be deemed to have been received by that date if postmarked by the United States Postal Service by no later than April 4, 1995. Overnight delivery items received after April 7, 1995 will be deemed to have been received by that date upon submission of documentary evidence that they were placed in transit with the overnight delivery service by no later than April 6, 1995.

Authority: 42 U.S.C. 11403 note; 42 U.S.C. 11389; 42 U.S.C. 1437a, 1437c, and 1437f; 42 U.S.C. 3535(d); 24 CFR parts 582, 583, and 882.

Dated: February 8, 1995.

Andrew Cuomo,

Assistant Secretary for Community Planning and Development.

Appendix: List of HUD Field Offices

Telephone numbers for Telecommunications Devices for the Deaf (TDD machines) are listed for field offices; all HUD numbers, including those noted *, may be reached via TDD by dialing the Federal Information Relay Service on 1–800–877–TDDY or (1–800–877–8339) or (202) 708–9300.

Alabama—John D. Harmon, Beacon Ridge Tower, 600 Beacon Pkwy. West, Suite 300, Birmingham, AL 35209–3144; (205) 290– 7645; TDD (205) 290–7624.

Alaska—Dean Zinck, 949 E. 36th Avenue, Suite 401, Anchorage, AK 99508–4399; (907) 271–3669; TDD (907) 271–4328.

Arizona—Lou Kislin, 400 N. 5th St., Suite 1600, Arizona Center, Phoenix AZ 85004; (602) 379–4754; TDD (602) 379–4461.

Arkansas—Billy M. Parsley, TCBY Tower, 425 West Capitol Ave., Suite 900, Little Rock, AR 72201–3488; (501) 324–6375; TDD (501) 324–5931.

California—(Southern) Herbert L. Roberts, 1615 W. Olympic Blvd., Los Angeles, CA 90015–3801; (213) 251–7235; TDD (213) 251–7038. (Northern) Steve Sachs, 450 Golden Gate Ave., P.O. Box 36003, San Francisco, CA 94102–3448; (415) 556–5576; TDD (415) 556–8357.

Colorado—Sharon Jewell, First Interstate Tower North, 633 17th St., Denver, CO

- 80202-3607; (303) 672-5414; TDD (303) 672-5248.
- Connecticut—Daniel Kolesar, 330 Main St., Hartford, CT 06106–1860; (203) 240–4508; TDD (203) 240–4522.
- Delaware—John Kane, Liberty Sq. Bldg., 105 S. 7th St., Philadelphia, PA 19106–3392; (215) 597–2665; TDD (215) 597–5564.
- District of Columbia—James H. McDaniel, 820 First St., NE, Washington, DC (and MD and VA suburbs) 20002; (202) 275–0994; TDD (202) 275–0772.
- Florida—James N. Nichol, 301 West Bay St., Suite 2200, Jacksonville, FL 32202–5121; (904) 232–3587: TDD (904) 791–1241.
- Georgia—John Perry, Russell Fed. Bldg., Room 688, 75 Spring St., SW, Atlanta, GA 30303–3388; (404) 331–5139; TDD (404) 730–2654.
- Hawaii and Pacific)—Patti A. Nicholas, 7 Waterfront Plaza, Suite 500, 500 Ala Moana Blvd., Honolulu, HI 96813–4918; (808) 522–8180; TDD (808) 541–1356.
- *Idaho*—John G. Bonham, 520 SW 6th Ave., Portland, OR 97204–1596;(503) 326–7018; TDD * via 1–800–877–8339.
- Illinois—Jim Barnes, 77 W. Jackson Blvd.,Chicago, IL 60604–3507; (312) 353–1696;TDD (312) 353–7143.
- Indiana—Robert F. Poffenberger, 151 N.
 Delaware St., Indianapolis, IN 46204–2526;
 (317) 226–5169; TDD * via 1–800–877–8339
- Iowa—Gregory A. Bevirt, Executive Tower Centre, 10909 Mill Valley Road, Omaha, NE 68154–3955; (402) 492–3144; TDD (402) 492–3183.
- Kansas—William Rotert, Gateway Towers 2, 400 State Ave., Kansas City, KS 66101– 2406; (913) 551–5484; TDD (913) 551– 6972
- Kentucky—Ben Cook, P.O. Box 1044, 601 W. Broadway, Louisville, KY 40201–1044; (502) 582–5394; TDD (502) 582–5139.
- Lousiana—Greg Hamilton, P.O. Box 70288, 1661 Canal St., New Orleans, LA 70112– 2887; (504) 589–7212; TDD (504) 589– 7237
- Maine—David Lafond, Norris Cotton Fed. Bldg., 275 Chestnut St., Manchester, NH 03101–2487; (603) 666–7640; TDD (603) 666–7518.
- Maryland—Harold Young, 10 South Howard Street, 5th Floor, Baltimore, MD 21202– 0000; (410) 962–2520x3116; TDD (410) 962–0106.
- Massachusetts—Frank Del Vecchio, Thomas P. O'Neill, Jr., Fed. Bldg., 10 Causeway St., Boston, MA 02222–1092; (617) 565–5342; TDD (617) 565–5453.
- Michigan—Richard Paul, Patrick McNamara Bldg., 477 Michigan Ave., Detroit, MI 48226–2592; (313) 226–4343; TDD * via 1– 800–877–8339.

- Minnesota—Shawn Huckleby, 220 2nd St. South, Minneapolis, MN 55401–2195; (612) 370–3019; TDD (612) 370–3186.
- Mississippi—Jeanie E. Smith, Dr. A. H. McCoy Fed. Bldg., 100 W. Capitol St., Room 910, Jackson, MS 39269–1096; (601) 965–4765; TDD (601) 965–4171.
- Missouri—(Eastern) David H. Long, 1222 Spruce St., St. Louis, MO 63103–2836; (314) 539–6524; TDD (314) 539–6331; (Western) William Rotert, Gateway Towers 2, 400 State Ave., Kansas City, KS 66101– 2406; (913) 551–54843; TDD (913) 551– 6972.
- Montana—Sharon Jewell, First Interstate Tower North, 633 17th St., Denver, CO 80202–3607; (303) 672–5414; TDD (303) 672–5248.
- Nebraska—Gregory A. Bevirt, Executive Tower Centre, 10909 Mill Valley Road, Omaha, NE 68154–3955; (402) 492–3144; TDD (402) 492–3183.
- Nevada—(Las Vegas, Clark Cnty) Lou Kislin, 400 N. 5th St., Suite 1600, 2 Arizona Center, Phoenix, AZ 85004; (602) 379– 4754; TDD (602) 379–4461; (Remainder of State) Steve Sachs, 450 Golden Gate Ave., P.O. Box 36003, San Francisco, CA 94102– 3448; (415) 556–5576; TDD (415) 556-8357.
- New Hampshire—David Lafond, Norris Cotton Fed. Bldg., 275 Chestnut St., Manchester, NH 03101–2487; (603) 666– 7640; TDD (603) 666–7518.
- New Jersey—Frank Sagarese, 1 Newark Center, Newark, NJ 07102; (201) 622–7900; TDD (201) 645–3298.
- New Mexico—Katie Worsham, 1600 Throckmorton, P.O. Box 2905, Fort Worth, TX 76113–2905; (817) 885–5483; TDD (817) 885–5447.
- New York—(Upstate) Michael F. Merrill, Lafayette Ct., 465 Main St., Buffalo, NY 14203–1780; (716) 846–5768; TDD * via 1– 800–877–8339; (Downstate) Jack Johnson, 26 Federal Plaza, New York, NY 10278– 0068; (212) 264–2885; TDD (212) 264– 0927.
- North Carolina—Charles T. Ferebee, Koger Building, 2306 West Meadowview Road, Greensboro, NC 27407; (910) 547–4005; TDD (910) 547–4055.
- North Dakota—Sharon Jewell, First Interstate Tower North, 633 17th St., Denver, CO 80202–3607; (303) 672–5414; TDD (303) 672–5248.
- Ohio—Jack E. Riordan, 200 North High St., Columbus, OH 43215–2499; (614) 469– 6743; TDD (614) 469–6694.
- Oklahoma—Ted Allen, Murrah Fed. Bldg., 200 NW 5th St., Oklahoma City, OK 73102–3202; (405) 231–4973; TDD (405) 231–4181.
- Oregon—John G. Bonham, 520 SW 6th Ave., Portland, OR 97204–1596 (503) 326–7018; TDD * via 1–800–877–8339.

- Pennsylvania—(Western) Bruce Crawford, Old Post Office and Courthouse Bldg., 700 Grant St., Pittsburgh, PA 15219–1906; (412) 644–5493; TDD (412) 644–5747; (Eastern) Joyce Gaskins, Liberty Sq. Bldg., 105 S. 7th St., Philadelphia, PA 19106–3392; (215) 597–2665; TDD (215) 597–5564.
- Puerto Rico (and Caribbean)—Carmen R.
 Cabrera, 159 Carlos Chardon Ave., San
 Juan, PR 00918–1804; (809) 766–5576; TDD (809) 766–5909.
- Rhode Island—Frank Del Vecchio, Thomas P. O'Neill, Jr., Fed. Bldg., 10 Causeway St., Boston, MA 02222–1092; (617) 565–5342; TDD (617) 565–5453.
- South Carolina—Louis E. Bradley, Fed. Bldg., 1835–45 Assembly St., Columbia, SC 29201–2480; (803) 765–5564; TDD * via 1–800–877–8339.
- South Dakota—Sharon Jewell, First Interstate Tower North, 633 17th St., Denver, CO 80202–3607; (303) 672–5414; TDD (303) 672–5248.
- Tennessee—Virginia Peck, 710 Locust St., Knoxville, TN 37902–2526; (615) 545– 4396; TDD (615) 545–4559.
- Texas—(Northern) Katie Worsham, 1600 Throckmorton, P.O. Box 2905, Fort Worth, TX 76113–2905; (817) 885–5483; TDD (817) 885–5447; (Southern) John T. Maldonado, Washington Sq., 800 Dolorosa, San Antonio, TX 78207–4563; (210) 229– 6820; TDD (210) 229–6885.
- *Utah*—Sharon Jewell, First Interstate Tower North, 633 17th St., Denver, CO 80202– 3607; (303) 672–5414; TDD (303) 672– 5248.
- Vermont—David Lafond, Norris Cotton Fed. Bldg., 275 Chestnut St., Manchester, NH 03101–2487; (603) 666–7640; TDD (603) 666–7518.
- Virginia—Joseph Aversano, 3600 W. Broad St., P.O. Box 90331, Richmond, VA 23230– 0331; (804) 278–4503; TDD (804) 278– 4501.
- Washington—John Peters, Federal Office Bldg., 909 First Ave., Suite 200, Seattle, WA 98104–1000; (206) 220–5150; TDD (206) 220–5185.
- West Virginia—Bruce Crawford, Old Post Office & Courthouse Bldg., 700 Grant St., Pittsburgh, PA 15219–1906; (412) 644– 5493; TDD (412) 644–5747.
- Wisconsin—Lana J. Vacha, Henry Reuss Fed. Plaza, 310 W. Wisconsin Ave., Ste. 1380, Milwaukee, WI 53203–2289; (414) 297–3113; TDD * via 1–800–877–8339.
- Wyoming—Sharon Jewell, First Interstate Tower North, 633 17th St., Denver, CO 80202–3607; (303) 672–5414; TDD (303) 672–5248.

[FR Doc. 95–3992 Filed 2–16–95; 8:45 am] BILLING CODE 4210–29–P